

FIRST UNION RAIL

One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018

Tel 847.318.7575
Fax 847.318.7588

RECORDATION NO.

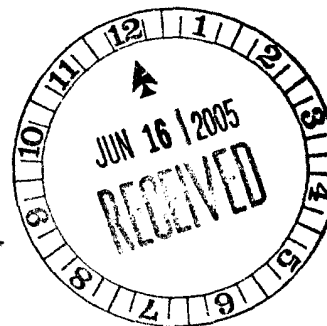
25641

FILED

JUN 17 '05

9-56 AM

SURFACE TRANSPORTATION BOARD



VIA UPS 2nd DAY AIR

June 14, 2005

Mr. Vernon E. Williams
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, DC 20423-0001
Attn: Recordation of Railroad Equipment

Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) originals of a Memorandum of Lease Agreement, dated May 10, 2005, a primary document as defined in the Board's Rules for the Recordation of Documents. Please file this Memorandum of Lease as a primary document since a Master Lease has not been filed with the Surface Transportation Board. The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Ace Ethanol, LLC
815 W. Maple Street
Stanley, WI 54768

A description of the railroad equipment covered by the enclosed document is twenty-seven (27) 4750 cubic foot covered hopper cars with gravity gates and trough hatches, cars marked FURX and NDYX (see Exhibit A for car numbers).

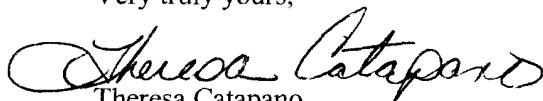
A short summary of the document to appear in the index follows:

Memorandum of Lease

Also enclosed is a check in the amount of \$33.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5375. Thank you for your cooperation in this matter.

Very truly yours,


Theresa Catapano
Manager of Documentation

Enclosures
(ACET002)

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 10th day of May, 2005, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Ace Ethanol, LLC., ("Lessee"), a Wisconsin corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of July 2, 2004, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 2 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of April 15, 2004, and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: Richard F. SeymourName: RICHARD F. SEYMOUR
Vice President Sales & Marketing

Title: _____

By: K. A. DombrowskiName: K. A. DOMBROWSKITitle: DIRECTOR OF DOCUMENTATION Executed on this 10th day of May, 2005.

[CORPORATE SEAL]

STATE OF ILLINOISCOUNTY OF COOK

I, GEORGIA FREIBURGER, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 10th day of May, 2005.

Georgia Freiburger
Notary Public

My Commission Expires:

5-2008
(Notary Public)



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SURFACE TRANSPORTATION BOARD

LESSEE:

ACE ETHANOL, LLC

ATTEST:

By: [Signature]
Name: Laura Eadner

Title: General Manager

By: [Signature]
Name: James F. Bisek
Title: Commodities mgr

Executed on this 2nd day of May, 2005.

[CORPORATE SEAL]

STATE OF Wisconsin

COUNTY OF Chippewa

I, LaMae Drier, a Notary Public of the County and State aforesaid, certify that James Bisek personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 2nd day of May, 2005.

[Signature]

Notary Public

Commission Expires:

8-27-06

(Notary Public)

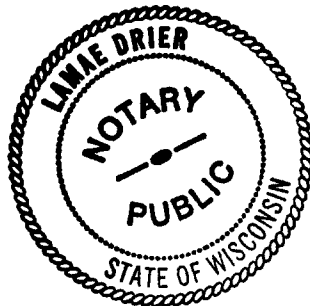


EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Twenty-seven (27)

DESCRIPTION OF CARS: 4750 cubic foot capacity covered hopper cars, equipped with gravity gates and trough hatches.

CAR NUMBERS:

FURX 818215
FURX 820772
FURX 821440
FURX 821762
FURX 821988
FURX 822008
FURX 822309
FURX 824146
FURX 824418
FURX 826245
FURX 826838
FURX 826847
FURX 826869
FURX 828186
FURX 828274
FURX 828615
FURX 829629
FURX 829778
FURX 829830
FURX 830617
FURX 830645
FURX 830735
FURX 832130
FURX 832178
NDYX 475457
NDYX 488356
NDYX 828113
Count: 27